

Knowlton Capital shareholders unanimously approve reverse take-over with Leni Gas Cuba Limited

MONTREAL, July 6, 2016 /CNW Telbec/ - Knowlton Capital Inc. ("**Knowlton**") (TSX: KWCIH) is pleased to announce that at an annual and special meeting of shareholders held today in Montreal, Québec, Knowlton shareholders unanimously approved the previously-announced reverse take-over ("**RTO**") of Knowlton by Leni Gas Cuba Limited ("**LGC**"). Shareholders also approved a change of corporate name to "LGC Capital Ltd. / Capital LGC Ltée" and a consolidation of Knowlton's issued and outstanding common shares on the basis of one share for every 1.27795529 outstanding shares.

LGC previously announced that the RTO was unanimously approved by LGC's shareholders at a meeting held in London, England on July 1, 2016.

As the RTO has been approved by both Knowlton's and LGC's shareholders, it is expected that LGC will seek a final order for the scheme of arrangement effecting the RTO from the British Virgin Islands High Court tomorrow, July 7, 2016. If a final order is granted by the BVI High Court, Knowlton expects that the closing of the RTO will take place shortly thereafter. In that event, Knowlton will issue a further press release announcing the date on which Knowlton's shares will commence trading on the TSX Venture Exchange on a consolidated basis under the name "LGC Capital Ltd.", the "resulting issuer" from the RTO. It is expected that the trading symbol for LGC Capital will be "QBA".

In connection with the RTO, Knowlton also announces that an aggregate of 44 million shares of LGC Capital to be issued to Messrs. Donald Strang and Jeremy Edelman, both of whom are currently directors of LGC, will be subject to escrow pursuant to the "Seed Shares Resale Rules" of the TSX Venture Exchange. Under the escrow agreement, 10% of the escrowed shares will be released from escrow on the date of listing of the LGC Capital shares on the TSX Venture Exchange, and an additional 15% of the escrowed shares will be released six months, twelve months, 18 months, 24 months, 30 months and 36 months from such listing date, respectively.

Neither the TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Completion of the RTO between Knowlton and LGC is subject to a number of conditions. There can be no assurance that the RTO will be completed as proposed or at all. Investors are cautioned that, except as disclosed in Knowlton's management information circular dated June 9, 2016 prepared in connection with the RTO, any information released or received with respect to the RTO may not be accurate or complete and should not be relied upon. Trading in the securities of Knowlton should be considered highly speculative.

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